

REMARKS

Claims 1, 3, 4, 6, 8, 9, 13-15, 19, 21, 22, 24, 26, 27, 31-33, 37, 39, 40, 42, 44, 45, and 49-51 are pending in the application.

Claims 1, 3, 4, 6, 8, 9, 13-15, 19, 21, 22, 24, 26, 27, 31-33, 37, 39, 40, 42, 44, 45, and 49-51 are currently amended and claims 2, 5, 7, 10-12, 16-18, 20, 23, 25, 28-30, 34-36, 38, 41, 43, 46-48, and 52-54 are cancelled. Applicants respectfully submit that no new matter is added to currently amended claims 1, 3, 4, 6, 8, 9, 13-15, 19, 21, 22, 24, 26, 27, 31-33, 37, 39, 40, 42, 44, 45, and 49-51.

Claims 1-10, 13-28, 31-46, and 49-54 stand rejected under 35 U.S.C. §103(a) as unpatentable over U.S. Patent No. 6,460,020 to Pool et al., hereinafter, Pool, in view of U.S. Patent No. 6,202,051 to Woolston and U.S. Patent Application Publication No. 2002/0016760 to Pathak.

Applicants respectfully traverse the rejection based on the following discussion.

I. The 35 U.S.C. §103(a) Rejection over Pool, Woolston, and Pathak

1. The Pool Disclosure

Pool discloses an international transaction system for operation over the internet/intranet that provides a pre-transactional calculation of all charges involved in any international transaction. Upon the option of the customer, the goods can be viewed on catalogue sheets translated to a language of the customer's choice, and the price provided in a currency selected by the customer. The customer also has the option of initiating the order with automatic credit authorization, generation of an electronic title or commercial invoice and arrangements and payment of shipping charges and any taxes and import/export duties. (Abstract, which is cited by the Office Action).

Pool also discloses that the transaction system contains or interacts with various databases, including: ... 3) product codes from harmonized tariff tables, including tax and import information, including administrative requirements and data for satisfying such requirements as well as foreign duty information, including methods of calculating all

duties, luxury taxes, etc. (col. 4, lines 1 and 2, and 8-11, which is cited by the Office Action).

Pool further discloses that it is crucial that the message clearly indicate to the customer that there is far more expense involved to obtaining goods than merely the original price at a factory or the distributor of the vendor. This is especially true if the vendor and customer are in different countries. Thus, the customer is given the option of determining the real price of the transaction. If the customer makes this request (step 120), the next stage of the process is carried out. Responsive to an affirmative answer by the customer, a commodity code for the selected product is obtained (step 122) by accessing the third database and processing center, containing look-up tables of the harmonized international tariff tables and classification system, as well as the formats for any necessary import/export data, and administrative requirements for all countries involved in possible transactions. If the vendors country of origin or the destination country have commodity codes different from those of the harmonized tables, a search is conducted in other databases by the third database and processing center to determine the correct commodity code. This will be used to look up other data related to the product and the country of destination, as well as generate appropriate documents from the third database. (col. 6, lines 44-67, which is cited by the Office Action).

In addition, Pool discloses that the "real price" or the price to deliver selected products to a specified point (presumably one convenient to the customer) entails the cost of all freight for each leg of the journey, insurance (if desirable), sales tax, handling charges, document generation and forwarding charges, import/export duties, and "value added" taxes as well as luxury taxes (if applicable). (col. 7, lines 6-12, which is cited by the Office Action).

2. The Woolston Disclosure

The Office Action cites Wooston for teaching "wherein said cost element comprises commission fees (col. 24, lines 4-10)." (Office Action, page 4, line 3).

Woolston discloses a method of facilitating internet commerce through

internetworked auction, "wherein the fee amount present's a seller's commission paid to an entity hosting the Internet-based auction." (Title and col. 24, lines 8-10).

3. The Pathak Disclosure

The Office Action cited Pathak for teaching that a winning bid in said auction comprises a highest net payout to the seller after deduction of said total end-to-end cost and that a winning offer in said reverse auction comprises a lowest net payout to said buyer after deduction of said total end-to-end cost. (Office Action, page 4, lines 7-9).

Pathak discloses a method for trading dissimilar products. A method and apparatus for implementing a mechanism by which a combination of products may be exchanged among market participants. The market participants use an online/computerized auction/bidding system to trade their products. For businesses trying to dispose products, this type of mechanism will result in higher revenue for the seller and at the same time satisfies the buyer. For businesses trying to acquire products, this type of mechanism will result in lowering the cost of procuring products and at the same time satisfies sellers. (Abstract, which is cited by the Office Action).

Pathak also discloses the standard ascending auction process involves users bidding for a particular product, and the product is sold to the highest bidder. The aim here is for the seller of the product to sell at the maximum price. (Paragraph [0009], lines 4-8). There is a variation of auction/bidding called the reverse auction. In this type of auction, a buyer posts his wish to buy or procure product or goods or services (this could be a Tender or Request for Proposal (RFP) or Request for Quote (RFQ). The sellers of the products then bid for it. In this type of auction/bidding the price of the bid generally decreases during the time period of the auction/bidding process. The aim of the buyer here is to buy or procure products at the lowest price. (Paragraph [0010], which is cited by the Office Action). There is another variation of the auction/bidding process where the seller or buyer specifies a reserve price. (Office Action, Paragraph [0014], which is cited by the Office Action).

4. Arguments

Currently amended, independent claims 1, 19, and 37 recite in relevant part, "maintaining an online database of costs associated with each significant cost element in order to compute said end-to-end costs for goods and services offered by an offerer and bid upon by a bidder,

receiving a first online bid to buy or sell said offered goods and services from a first bidder,

updating said online database of costs related to said first online bid and calculating a first bid's end-to-end costs related to said first online bid,

receiving a second online bid to buy or sell said offered goods and services from a second bidder,

updating said online database of costs related to said second online bid and calculating a second bid's end-to-end costs related to said second online bid,

if, in an ascending auction, said second bid's end-to-end costs result in a higher payout to said offerer than said first bid's end-to-end costs, then accepting said second bid, else accepting said first bid, and

if, in a reverse auction, said second bid's end-to-end costs result in a higher cost to said offerer than said first bid's end-to-end costs, then accepting said first bid, else accepting said second bid".

Pool merely discloses an international transaction system for operation over a network that provides a pre-transactional calculation of all charges involved in any transaction between a single buyer and a single seller.

Furthermore, nowhere does Pool suggest that his method may be applied to an auction process, wherein at each stage of the auction, the offerer may obtain information related to the end-to-end costs of the proposed transaction.

In contrast, the present invention describes a dynamic auction between multiple parties, wherein at each stage of the auction, the offerer may obtain information related to the end-to-end costs of the proposed transaction.

Woolston merely discloses a networked auction system that allows payment of a commission fee to the host entity.

In contrast, the present invention describes a dynamic auction between multiple parties, wherein at each stage of the auction, the offerer may obtain information related to the end-to-end costs of the proposed transaction. (emphasis added).

Furthermore, although Woolston does disclose a networked auction system that allows payment of commission fee to the host entity, nowhere is there a motivation for combining Woolston with Pool. Pool simply does not contemplate the auction system of Woolston and therefore, Pool has no need to update, and even repeatedly update, cost information during the course of an auction as does the present invention. Pool's information is for a one-shot deal.

Pathak merely provides definitions for ascending and reverse auctions, and a reserve price.

In contrast, the present invention describes a dynamic auction between multiple parties, wherein at each stage of the auction, the offerer may obtain information related to the end-to-end costs of the proposed transaction. (emphasis added).

Furthermore, although Patak does disclose a computerized auction system, nowhere is there a motivation for combining Pathak with Pool. Again, Pool simply does not contemplate the auction system of Woolston or Pathak and therefore, Pool has no need to update, and even repeatedly update, cost information during the course of an auction as does the present invention.

For at least the reasons outlined above, Applicants submit that Pool, Woolston, and Pathak, either individually or in combination, do not disclose, teach or suggest the present invention's features of: "maintaining an online database of costs associated with each significant cost element in order to compute said end-to-end costs for goods and services offered by an offerer and bid upon by a bidder, receiving a first online bid to buy or sell said offered goods and services from a first bidder, updating said online database of costs related to said first online bid and calculating a first bid's end-to-end costs related

to said first online bid, receiving a second online bid to buy or sell said offered goods and services from a second bidder, updating said online database of costs related to said second online bid and calculating a second bid's end-to-end costs related to said second online bid, if, in an ascending auction, said second bid's end-to-end costs result in a higher payout to said offerer than said first bid's end-to-end costs, then accepting said second bid, else accepting said first bid, and if, in a reverse auction, said second bid's end-to-end costs result in a higher cost to said offerer than said first bid's end-to-end costs, then accepting said first bid, else accepting said second bid", as recited in currently amended, independent claims 1, 19, and 37. Accordingly, Pool, Woolston, and Pathak, either individually or in combination, fail to render obvious the subject matter of currently amended, independent claims 1, 19, and 37, and currently amended, dependent claims 3, 4, 6, 8, 9, 13-15, 21, 22, 24, 26, 27, 31-33, 39, 40, 42, 44, 45, and 49-51 under 35 U.S.C. §103(a). The rejection of cancelled claims 2, 5, 7, 10, 16-18, 20, 23, 25, 28, 31, 34-36, 38, 41, 43, 46, and 52-54 is moot. Withdrawal of the rejection of claims 1-10, 13-28, 31-46, and 49-54 under 35 U.S.C. §103(a) as unpatentable over Pool, Woolston, and Pathak is respectfully solicited.

II. Formal Matters and Conclusion

In view of the foregoing, Applicants submit that claims 1, 3, 4, 6, 8, 9, 13-15, 19, 21, 22, 24, 26, 27, 31-33, 37, 39, 40, 42, 44, 45, and 49-51, all the claims presently pending in the application, are patentably distinct from the prior art of record and are in condition for allowance. The Examiner is respectfully requested to pass the above application to issue at the earliest possible time.

Should the Examiner find the application to be other than in condition for allowance, the Examiner is requested to contact the undersigned at the local telephone number listed below to discuss any other changes deemed necessary. Please charge any deficiencies and credit any overpayments to Attorney's Deposit Account Number 09-0441.

Respectfully submitted,

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